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February 26, 2001

Honorable Philip N. Asprodites Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Hosston L Sand and Hosston Formation, SIMSBORO FIELD, Lincoln Parish, Louisiana.

Dear Sir:

BILLY R. PESNELL

DAVID L. SMELLEY

PAUL A. STRICKLAND

SCOTT C. SINCLAIR

W. BROOKS MAY

JOSEPH L. HARGROVE, JR.

SUNLAND PRODUCTION CO., INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston L Sand and to the Hosston Formation in the Simsboro Field, Lincoln Parish, Louisiana:

- 1. To authorize Applicant to complete, designate and utilize its Jackson No. 1 Well, located as shown on the attached plat, as a substitute unit well for HOSS SUB.
- 2. To find that use of the Jackson No. 1 Well as a substitute unit well for HOSS SUB is necessary to efficiently and economically drain a portion of the Hosston Formation underlying HOSS SUB which cannot be efficiently and economically drained by any existing well on such unit.
- 3. To approve the downhole combination of production from the Hosston Formation and the Hosston L Sand in the wellbore of the Jackson No. 1 Well, and in the wellbore of any existing or subsequently drilled well located on HOSS SUB and HOSS L SU25 in which the ownership interests in these units is identical.
- 4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston L Sand in Simsboro Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 222, effective December 4, 1951. The Hosston Formation in Simsboro Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 222-1, effective September 1, 1957.

Pertinent data concerning this application is available for inspection at the offices of Sunland Production Co., Inc., 416 Travis Street, Suite 1404, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Don

Honorable Philip N. Asprodites February 26, 2001 Page 2

Easterwood at (318) 222-3538 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter and of the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Simsboro Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

David L. Smelley

Attorney for Sunland Production Co., Inc.

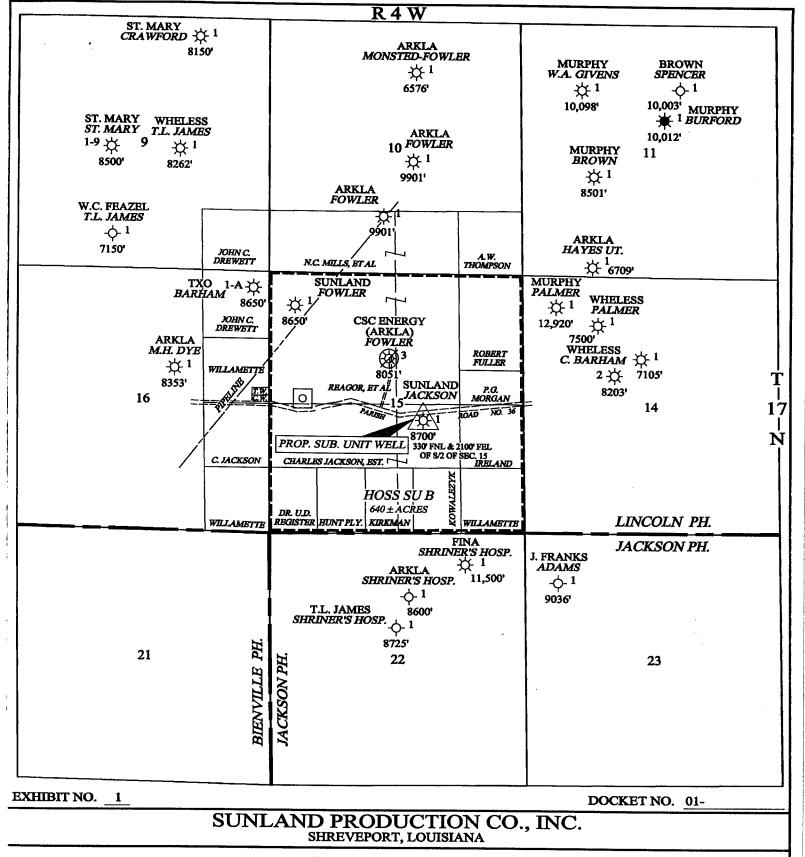
DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Don Easterwood, Jr. (w/encls.)

Mr. Joe B. Adams (w/encls.) Interested Owners, Represented

Parties and Interested Parties (w/plat only)



SIMSBORO FIELD LINCOLN PARISH, LOUISIANA

PROPOSED SUBSTITUTE UNIT WELL FOR HOSSTON SAND UNIT B

